



THIRD ANNUAL REPORT & ACCOUNTS FOR THE PERIOD ENDED 30/09/1997 C5

SEAX LEATHER EXPORTS LIMITED, CHENNAI

BOARD OF DIRECTORS

Mr. KAZIM ALI,
Chairman & Managing Director
Mr. K. Shiraj, Executive Director
Mr. M.B. Goldman, Director
Mr. T.K. Sinha, Director

AUDITORS

M/s. R. VENKATA SUBRAMANI & CO
Chartered Accountants,
AH-151, 3rd Street, Anna Nagar,
Chennai - 600 040.

REGISTERED OFFICE

41/ Sydenhams Road,
Periamet, Chennai - 600 003.

BANKERS

Punjab National Bank,
17, Rajaji Salai,
Chennai - 600 001.

Punjab & Sind Bank,
(International Banking Division)
Spencer Towers,
770-A, Mount Road,
Chennai - 600 002.

SHARE TRANSFER AGENTS

Mafatlal Consultancy
Services (India) Ltd.
157, Habibullah Road, T.Nagar,
Chennai - 600 017.

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| | | | | |
|-----|---|--|-----|---|
| MD | ✓ | | BKC | ✓ |
| CS | ✓ | | DPY | ✓ |
| RO | ✓ | | DIV | ✓ |
| TRA | ✓ | | AC | ✓ |
| AGM | ✓ | | SHI | ✓ |
| YE | ✓ | | | |

NOTICE OF THIRD ANNUAL GENERAL MEETING

NOTICE is hereby given that the Third Annual General Meeting of the Members of SEAX LEATHER EXPORTS LTD. will be held on 30th December 1997 at 11.00 a.m. at GRIH KALYAN KENDRA, COMMUNITY CENTRE, Quarter's Campus, 15th Main Road, Anna Nagar (WEST), Chennai - 600 040. to transact the following business.

ORDINARY BUSINESS :

1. To consider and adopt the Balance Sheet as at 30th September 1997 and the Profit and Loss Account of the Company for the period ended 30th September 1997 and the Reports of the Board of Directors and Auditors Report thereon.
2. To appoint a Director in the place of Mr. T.K. Sinha, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting on such remuneration as may be fixed in this behalf by the Board of Directors of the Company. The retiring Auditors M/s. R. Venkata Subramani & Co., Chartered Accountants, are eligible for reappointment.

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to Section 31 of the Companies Act, 1956, the Articles of Association of the Company be and is hereby altered in the following manner.

1. By the insertion of the following new Article numbered 10B after the existing Articles 10 A.

New Article No. 10B

The Board / Sub-committee of the Board shall refuse application for sub-division or consolidation of certificates of title of shares into denomination of less than 100 (One Hundred) shares except when such sub-division or consolidation is required to be made to comply with any statutory provision or an order of any Court of Competent jurisdiction, and

2. By the insertion of the following new Article numbered 10 C

New Article : 10C

Without prejudice to the provisions of Article 10 A the Company shall not entertain any instrument for transfer of less than 100 (One Hundred) shares in the share capital of the company except in the following circumstances.

- (a) Where the transfer is necessary in pursuance of any statutory provision or an order of any Court of competent jurisdiction; or
- b) Where the transfer relates to the transfer of the entire holding of member consisting of less than 100 shares.
 - i) By a single instrument of transfer;
 - ii) By more than one instrument of transfer without requiring subdivision of any of the existing certificate for the shares held by the member so however that after the registration of the said transfer the holding of each transferee thereof will not be less than 100 shares; or
- c) Where the transfer is for the transfer of less than 100 shares in aggregate in favour of the same transferee under more than one instrument of transfer but submitted to the company simultaneously on the same day notwithstanding that any such instrument may relate to transfer of less than 100 shares.

Provided that where a person holds shares in a lot higher than the market units of trading but sells shares in the market units of trading, the resulting shares even though less than 100 shares in number be permissible to stand in his own name and further that the Board/Sub-Committee of the Board shall have power to settle or resolve any practical difficulty which may arise under this Article in such manner as it may deem necessary".

By order of the Board

Place : Chennai

Sd/-

KAZIM ALI

Dated : 13.11.1997

Manging Director

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his stead. The proxy need not be a member.
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, is annexed hereto.
3. The Register of Members of the Company will remain closed from 20th December 1997 to 30th December 1997 both days inclusive.

By order of the Board

Place : Chennai

Sd/-

KAZIM ALI

Dated : 13.11.1997

Manging Director

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 4

The cost of servicing connected with sub-division and / or transfer of small number of shares and subsequent follow up actions has since become prohibitive due mainly to very high increase in the cost of stationery and also in the printing and postage charges, apart from the cost of the time involved in the job by the secretarial staff. It is accordingly considered that the Company should have suitable provisions in its Article of Association with respect to the minimum number of shares in the Company for Sub-division and/or transfer acquisition of the share certificates. Keeping in view the commercial practice generally followed in this regard, it is proposed to confine the cases of sub-division of certificates and transfer of shares generally to a minimum of 100 shares, subject however to certain exceptions.

None of the Directors is interested in the proposed Special Resolution.

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By order of the Board

Place : Chennai

Sd/-

KAZIM ALI

Dated : 13.11.1997

Manging Director

DIRECTORS REPORT

Your Directors have the pleasure in presenting the Annual Report of the Company together with the Accounts for the period ended 30th September 1997.

| 1. FINANCIAL HIGHLIGHTS : | 1997 | 1996 |
|---|-------------|--------------|
| | (Rs.) | (Rs.) |
| Profits/Loss before depreciation and interest | 28.83 | 27.55 |
| LESS : Interest | 5.20 | 10.10 |
| LESS : Depreciation | 20.96 | 4.67 |
| Profit before tax | 2.67 | 12.78 |
| Provision for taxation | 0.08 | 0.05 |
| Profit after tax | 2.59 | 12.73 |

2. YEAR IN RETROSPECT :

The Directors wish to inform you that the total sales during the period ended on 30th September 1997 was Rs. 1,32,03,676.

3. DIRECTORS :

Mr. T.K. Sinha, who retires by rotation and being eligible offers himself for re-appointment.

4. AUDITORS :

The Company's Auditor M/s. R. Venkata Subramani & Co., Chartered Accountants, are retiring at the conclusion of this Annual General Meeting and are recommended for re-appointment.

5. PARTICULARS OF EMPLOYEES :

During the period under review there was no employee who came under the purview of Section 217(2A) of the Companies Act, 1956.

6. FIXED DEPOSITS :

The Company has not accepted any fixed deposits during the year under review.